

## Message Text

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15

ACTION EA-10

INFO OCT-01 ISO-00 XMB-02 AID-05 EB-07 COME-00 TRSE-00

OMB-01 CIAE-00 INR-07 NSAE-00 SP-02 L-02 IGA-01 H-01

SS-15 NSC-05 /059 W

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R 240345Z FEB 75

FM AMEMBASSY JAKARTA

TO SECSTATE WASHDC 6711

C O N F I D E N T I A L JAKARTA 2225

E.O. 11652: GDS

TAGS: CPRS BEXM EINV ETRD ID

SUBJECT: P.T. BAUD CASE

REF: JAKARTA 2211

1. AT DINNER FOR EXIM BOARD MEMBER CLARK FEBRUARY 21,  
I HAD OPPORTUNITY DISCUSS P.T. BAUD CASE WITH DR.  
JULIANTO, DIRECTOR-GENERAL, MINISTRY FINANCE.

2. JULIANTO SHOWED DETAILED FAMILIARITY WITH CASE,  
SUGGESTING THAT CASE HAS BEEN REVIEWED AT HIGH LEVEL  
WITHIN GOI. HE SAID DECISION TO FORWARD LATEST  
INDONESIAN REPLY WAS MADE BY MINISTER FINANCE WARDHANA  
AND JULIANTO DOUBTS IT IS OPEN FOR FURTHER NEGOTIATIONS.

3. WHEN I ASKED WHETHER BLUNT RESPONSE IN ANY WAY RE-  
PRESENTED INDONESIAN REACTION TO MANNER IN WHICH CASE  
HAS BEEN PURSUED, JULIANTO SAID RESPONSE WAS BASED ON  
INDONESIAN READING OF LEGAL POSITION. P.T. BAUD COMPANY  
HAD NOT FILED CLAIMS WITHIN DEADLINES PRESCRIBED BY LAW  
AND THEREBY LOST RIGHT TO CLAIM LAND. THEN JULIANTO  
PAUSED AND SAID U.S.-INDONESIAN RELATIONS HAVE BEEN VERY  
CLOSE SINCE COMMUNISTS HERE OVERTURNED AND INDONESIA  
FINDS IT VERY DIFFICULT TO BELIEVE UNITED STATES WOULD  
INTERRUPT THIS RELATIONSHIP OVER MATTER OF THIS KIND.

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4. IN RESPONSE, I SAID USG HAD NO DESIRE INTERRUPT  
RELATIONSHIP BUT TIS CASE CAME UP AT TIME OF SPECIAL  
DIFFICULTIES OVER AID AND OTHER MATTERS AFFECTING ATTITUDE  
TOWARD INDONESIA IN CONGRESS. NATIONALIZATIONS WERE  
SENSITIVE SUBJECT IN BOTH EXECUTIVE AND CONGRESS AND  
UNRESOLVED ISSUE OR ISSUE INADEQUATELY RESOLVED AN  
CAUSE PROBLEMS UNDER SUCH CIRCUMSTANCES. USG DOES NOT,  
IN SUCH CASES, SEEK TO JUDGE MERITS. IN THIS CASE,  
HOWEVER, TWO PARTIES ARE OBVIOUSLY FAR APART AND HAVE  
NOT, IN MY JUDGMENT, REALLY MADE HONEST EFFORT TO  
THRASH OUT DIFFICULTIES IN MEANINGFUL DISCUSSIONS. I  
SAID WE HAD PROBABLY NOT HEARD LAST OF CASE SINCE  
SULLIVAN VERY UNHAPPY WITH INDONESIAN REPLY. I NOTED  
THAT CLARK OF EXIM COULD CONFIRM TYPES OF PROBLEMS  
CREATED AND CLARK AGREED. JULIANTO DID NOT COMMENT  
AND WE PASSED ON TO OTHER SUBJECTS.

5. COMMENT: CONVERSATION WITH JULIANTO APPEARS CON-  
FIRM MY FEELING THAT DOOR IS NOT TOTALLY CLOSED PROVIDED  
WE CAN FIND NEW APPROACH.  
NEWSOM

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** CLAIMS, LITIGATION  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 24 FEB 1975  
**Decaption Date:** 01 JAN 1960  
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**Disposition Approved on Date:**  
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**Disposition Case Number:** n/a  
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**Subject:** P.T. BAUD CASE  
**TAGS:** CPRS, BEXP, EINV, ETRD, ID, P T BAUD, (SULLIVAN, CHARLES A)  
**To:** STATE  
**Type:** TE  
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